

## STATEMENT REGARDING SENATE BILL 1003: AAC the Connecticut Airport Authority

## COMMERCE COMMITTEE March 1<sup>st</sup>, 2011

The MetroHartford Alliance is the region's economic development leader and Hartford's Chamber of Commerce. Our investors include businesses of all sizes, health care providers, institutions of higher education, and regional municipalities. Although diverse, all of these investors share a common interest in the full economic recovery of our state supported by the attraction and retention of jobs, capital and talent.

While we continue to face extreme budgetary challenges, we urge the legislature to make Connecticut's economic recovery its top and only priority. By making it possible to maximize the economic development potential of existing resources such as Bradley International Airport, Senate Bill 1003 presents us with an opportunity to build upon the success the airport has already generated. Consider these facts about Bradley's contribution to Connecticut's economy:

- In 2005, a DECD report stated that, over the next twenty years Bradley would sustain 140,000 Connecticut jobs.
- Additionally, the Capitol Region Council of Governments recently reported that Bradley is responsible for \$4B in economic activity in the State of Connecticut.

The impact of our flagship airport is commonly known, but it has been underleveraged for several years.

In order to foster this critical economic driver, it is important to give its leadership the autonomy to make time sensitive, responsible market-driven decisions without hesitation or the delay of agency review. Businesses that are nimble and able to be responsive to ever-changing markets are most successful. Bradley International also needs to be nimble to fully achieve its potential and

successfully compete with other airports, particularly with regard to both international and domestic route development activities.

It needs to be said that we applaud the outstanding Department of Transportation staff that perform the airport's runway and facilities maintenance every day. This legislative proposal, however, specifically addresses the governance and management of the airport as well as the other five general aviation airports, and we agree that it is important to consider whether the current governing structure enhances the airport's ability to grow and stimulate economic development in our region or not. For example, providing the Bradley Board of Directors more autonomy could facilitate hiring decisions regarding staff at the airport including setting appropriate compensation and would also give the Board greater control over the airport's budget for marketing and route development.

As a result, the Board would determine how and when all airport staff are approved for travel for route development and marketing purposes. Such sovereignty would put Bradley on par with other states' privately-owned and operated airports, with whom we are competing for direct flights and international service. Those airports have direct control over their marketing dollars and, therefore, greater flexibility assembling the incentive packages that are critical to attract new airlines. Bradley is at a disadvantage and has potentially missed out on opportunities to grow based on this lack of autonomy. We lost our one transatlantic flight due to the steep rise in fuel costs although it demonstrated market demand. This legislation helps achieve the flexibility to negotiate another.

With regard to flexibility, our one outstanding concern regarding Senate Bill 1003 is that there is no contingency in place for the interim transition between today's status quo, which is not effectively leveraging Bradley as a key economic driver, and the establishment of an entirely new quasi-public authority in our state. We have been very supportive of proposals to presently establish management decision autonomy for Bradley's existing Board in both the Commerce and Transportation Committees this session, and we are supportive in general for consistency in governing the six airports collectively. However, we are concerned about the vital need to press for immediate autonomy for Bradley's

Board rather than wait for the new Connecticut Airport Authority Board of Directors to take shape.

We do understand that this legislation is a work in progress, and we are committed to working together with the state and our partners to achieve the best result to maximize Bradley's growth and the expansion of international business development in our state. This legislation deserves your support, as it has the potential to foster long-term job retention and growth.